

MESSAGE NO: 7178112 MESSAGE DATE: 06/27/1997

MESSAGE STATUS: Active CATEGORY: Antidumping
TYPE: ORD-Order PUBLIC ☒ NON-PUBLIC ☐
SUB-TYPE:

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REFERENCE
MESSAGE #
(s):

CASE #(s): A-588-840

EFFECTIVE DATE: COURT CASE #:

PERIOD OF REVIEW: TO

PERIOD COVERED: 06/16/1997 TO

Notice of Lifting of Suspension Date:

TO: { Directors Of Field Operations, Port Directors }

FROM: { Director AD/CVD & Revenue Policy & Programs }

RE: ANTIDUMPING DUTY ORDER ON ENGINEERED GAS TURBON-COMPRESSOR
SYSTMS (EPGTS), FROM JAPAN (A-588-840)

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CASES: A - 588 - 840 - -

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PERIOD COVERED: 06 16 1997 TO

LIQ SUSPENSION DATE:

TO: CMC DIRECTORS,
PORT DIRECTORS

FROM: DIRECTOR, IMPORT OPERATIONS

RE: ANTIDUMPING DUTY ORDER ON ENGINEERED GAS TURBON-COMPRESSOR

SYSTMS (EPGTS), FROM JAPAN (A-588-840)

1. ON JUNE 16, 1997, THE DEPARTMENT OF COMMERCE PUBLISHED IN THE
FEDERAL REGISTER ITS ANTIDUMPING DUTY ORDER AND AMENDED FINAL
DETERMINATION IN THE INVESTIGATION OF ENGINEERED PROCESS GAS
TURBO-COMPRESSOR SYSTEMS, WHETHER ASSEMBLED OR UNASSEMBLED, AND

WHETHER COMPLETE OR INCOMPLETE FROM JAPAN.

2. THE PRODUCTS COVERED BY THIS ORDER ARE ENGINEERED

PROCESS GAS TURBO-COMPRESSOR SYSTEMS, (I.E., ONE OR MORE "ASSEMBLIES" OR "TRAINS") WHICH ARE COMPRISED OF VARIOUS CONFIGURATIONS OF PROCESS GAS COMPRESSORS, DRIVERS (I.E., STEAM TURBINES OR MOTOR-GEAR SYSTEMS DESIGNED TO DRIVE SUCH COMPRESSORS), AND AUXILIARY CONTROL SYSTEMS AND LUBRICATION SYSTEMS FOR USE WITH SUCH COMPRESSORS AND COMPRESSOR DRIVERS, WHETHER ASSEMBLED OR UNASSEMBLED, AND WHETHER COMPLETE OR INCOMPLETE. ONE OR MORE OF THESE TURBO-COMPRESSOR ASSEMBLIES OR

TRAINS MAY BE COMBINED. THE SYSTEMS COVERED ARE ONLY THOSE USED IN THE PETROCHEMICAL AND FERTILIZER INDUSTRIES, IN THE PRODUCTION OF ETHYLENE, PROPYLENE, AMMONIA, UREA, METHANOL, REFINERY AND OTHER PETROCHEMICAL PRODUCTS. THIS ORDER DOES NOT ENCOMPASS TURBO-COMPRESSOR SYSTEMS INCORPORATING GAS TURBINE DRIVERS, WHICH

ARE TYPICALLY USED IN PIPELINE TRANSMISSION, INJECTION, GAS PROCESSING, AND LIQUID NATURAL GAS SERVICE.

THE SCOPE OF THIS ORDER EXCLUDES SPARE PARTS THAT ARE SOLD SEPARATELY FROM A CONTRACT FOR AN EPGTS. PARTS OR COMPONENTS IMPORTED FOR THE REVAMP OR REPAIR OF AN EXISTING EPGTS, OTHERWISE NOT INCLUDED IN THE ORIGINAL CONTRACT OF SALE FOR THE EPGTS OF WHICH THEY ARE INTENDED TO BE A PART, ARE EXPRESSLY EXCLUDED FROM THE SCOPE.

COMPRESSORS ARE MACHINES USED TO INCREASE THE PRESSURE OF A GAS OR VAPOR, OR MIXTURE OF GASES AND VAPORS. COMPRESSORS ARE COMMONLY CLASSIFIED AS RECIPROCATING, ROTARY, JET, CENTRIFUGAL, OR AXIAL (CLASSIFIED BY THE MECHANICAL MEANS OF COMPRESSING THE FLUID), OR AS A POSITIVE-DISPLACEMENT OR DYNAMIC-TYPE (CLASSIFIED BY THE MANNER IN WHICH THE MECHANICAL ELEMENTS ACT ON THE FLUID TO BE COMPRESSED). SUBJECT COMPRESSORS INCLUDE ONLY CENTRIFUGAL COMPRESSORS ENGINEERED FOR PROCESS GAS COMPRESSIONS, E.G., AMMONIA, UREA, METHANOL, PROPYLENE, OR ETHYLENE SERVICE.

TURBINES ARE CLASSIFIED (1) AS STEAM OR GAS; (2) BY MECHANICAL ARRANGEMENT AS SINGLE-CASING, MULTIPLE SHAFT, OR TANDEM-COMPOUND (MORE THAN ONE CASING WITH A SINGLE SHAFT); (3)

BY FLOW DIRECTION (AXIAL OR RADIAL); (4) BY STEAM CYCLE, WHETHER CONDENSING, NON-CONDENSING, AUTOMATIC EXTRACTION, OR REHEAT; AND (5) BY NUMBER OF EXHAUST FLOWS OF A CONDENSING UNIT. STEAM AND GAS TURBINES ARE USED IN VARIOUS APPLICATIONS. ONLY STEAM TURBINES DEDICATED FOR A TURBO-COMPRESSOR SYSTEM ARE SUBJECT TO THIS INVESTIGATION.

A MOTOR AND GEAR BOX MAY BE USED AS A COMPRESSOR DRIVER IN LIEU OF A STEAM TURBINE. A CONTROL SYSEM IS USED TO MONITOR AND CONTROL THE OPERATION OF A TURBO-COMPRESSOR SYSTEM. A LUBRICATION SYSTEM IS ENGINEERED TO SUPPORT A SUBJECT COMPRESSOR AND STEAM TURBINE (OR MOTOR/GEAR BOX).

A TYPICAL EPGTS CONSISTS OF ONE OR MORE COMPRESSORS DRIVEN BY A TURBINE (OR IN SOME CASES A MOTOR DRIVE). A COMPRESSOR IS USUALLY INSTALLED ON A BASE PLATE AND THE DRIVE IS INSTALLED ON A SEPARATE BASE PLATE. THE TURBINE (OR MOTOR DRIVE). BASE PLATE WILL TYPICALLY ALSO INCLUDE ANY GOVERNING OR SAFETY SYSTEMS, COUPLINGS, AND A GEAR BOX, IF ANY. THE LUBE AND OIL SEAL SYSTEMS FOR THE TURBINE AND COMPRESSOR(S) ARE USUALLY MOUNTED ON A SEPARATE BASE PLATE.

THE SCOPE OF THIS ORDER COVERS BOTH ASSEMBLED AND UNASSEMBLED EPGTS FROM JAPAN. BECAUSE OF THEIR LARGE SIZE, EPGTS AND THEIR CONSTITUENT PARTS ARE TYPICALLY SHIPPED PARTIALLY ASSMEBLED (OR UNASSEMBLED) TO THEIR DESTINATION WHERE THEY ARE ASSEMBLED AND/OR COMPLETED PRIOR TO THEIR COMMISSIONING.

THE SCOPE OF THIS ORDER ALSO COVERS "COMPLETE AND INCOMPLETE" EPGTS FROM JAPAN. A "COMPLETE" EGPTS COVERED BY THE SCOPE CONSISTS OF ALL OF THE COMPONENTS OF AN EPGTS (I.E., PROCESS GAS COMPRESSOR(S), DRIVER(S), AUXILIARY CONTROL SYSTEM(S) AND LUBRICATION SYSTEM(S)) AND THEIR CONSTITUENT PARTS, WHICH ARE IMPORTED FROM JAPAN IN ASSEMBLED OR UNASSEMBLED FORM, INDIVIDUALLY OR IN COMBINATION, PURSUANT TO A CONTRACT FOR A COMPLETE EPGTS IN THE UNITED STATES. AN "INCOMPLETE" EPGTS COVERED BY THE SCOPE OF THIS ORDER CONSISTS OF PARTS OF AN EPGTS IMPORTED FROM JAPAN PURSUANT TO A CONTRACT FOR A COMPLETE EPGTS

IN THE UNITED STATES, WHICH TAKEN ALTOGETHER, CONSTITUTE AT LEAST 50 PERCENT OF THE COST OF MANUFACTURER OF THE COMPLETE EPGTS OF WHICH THEY ARE A PART.

EPGTS IMPORTED FROM JAPAN AS AN ASSEMBLY OR TRAIN (I.E., INCLUDING TURBINES, COMPRESSORS, MOTOR AND GEAR BOXES, CONTROL SYSTEMS AND LUBRICATION SYSTEMS, AND AUXILIARY EQUIPMENT) MAY BE CLASSIFIED UNDER HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES ("HTSUS") SUBHEADING 8414.80.2015, WHICH PROVIDES FOR CENTRIFUGAL AND AXIAL COMPRESSORS. THE CUSTOMS SERVICE MAY VIEW THE COMBINATION OF TURBINE DRIVERS AND COMPRESSOR AS "MORE THAN" A COMPRESSOR AND, AS A RESULT, CLASSIFY THE COMBINATION OF TURBINE DRIVER AND COMPRESSOR AS "MORE THAN" A COMPRESSOR AND UNDER HTSUS

SUBHEADING 8419.60.5000.

COMPRESSORS FOR USE IN EPGTS, IF IMPORTED SEPARATELY, MAY ALSO BE CLASSIFIED UNDER HTSUS SUBHEADING 8414.80.2015. PARTS FOR SUCH COMPRESSORS, INCLUDING ROTORS OR IMPELLERS AND HOUSING, ARE CLASSIFIED UNDER HTSUS SUBHEADING 8414.90.4045 AND 8414.90.4055.

STEAM TURBINES FOR USE IN EPGTS, IF IMPORTED SEPARATELY, MAY BE CLASSIFIED UNDER THE FOLLOWING HTSUS SUBHEADINGS:

8406.81.1020. (STEAM TURBINES, OTHER THAN MARINE TURBINES, STATIONARY, CONDENSING TYPE, OF AN OUTPUT EXCEEDING 40 MW);

8406.82.1010 (STEAM TURBINES, OTHER THAN MARINE TURBINES, STATIONARY, CONDENSING TYPE, EXCEEDING 7,460 KW); 8406.82.1020

(STEAM TURBINES, OTHER THAN MARINE TURBINES, STATIONARY, OTHER THAN CONDENSING TYPE, EXCEEDING 7,460 KW, BUT NOT EXCEEDING 40

MW); 8406.82.1050 (STEAM TURBINES, OTHER THAN MARINE TURBINES, STATIONARY, OTHER THAN CONDENSING TYPE, NOT EXCEEDING 7,460 KW);

8406.82.1070 (STEAM TURBINES, OTHER THAN MARINE TURBINES, STATIONARY, OTHER THAN CONDENSING TYPE, EXCEEDING 7,460 KW, BUT NOT EXCEEDING 40 MW). PARTS FOR SUCH TURBINES ARE CLASSIFIED UNDER HTSUS SUBHEADING 8406.90.2000 THROUGH 8406.90.4580.

CONTROL AND OTHER AUXILIARY SYSTEMS MAY BE CLASSIFIED UNDER HTSUS 9032.89.6030 ("AUTOMATIC REGULATING OR CONTROLLING

INSTRUMENTS AND APPARATUS: COMPLETE PROCESS CONTROL SYSTEMS").

MOTOR AND GEAR BOX ENTRIES MAY BE CLASSIFIED UNDER HTSUS SUBHEADING 8501.53.4080, 8501.53.6000, 8501.53.8040, OR 8501.53.8060. GEAR SPEED CHANGERS USED TO MATCH THE SPEED OF AN ELECTRIC MOTOR TO THE SHAFT SPEED OF A DRIVEN COMPRESSOR, WOULD BE CLASSIFIED UNDER HTSUS SUBHEADING 8483.40.5010.

LUBRICATION SYSTEMS MAY BE CLASSIFIED UNDER HTSUS SUBHEADING 8414.90.4075.

ALTHOUGH THE HTSUS SUBHEADINGS ARE PROVIDED FOR CONVENIENCE AND CUSTOMS PURPOSES, THE WRITTEN DESCRIPTION OF THE SCOPE OF THIS INVESTIGATION IS DISPOSITIVE.

3. FOR FURTHER REPORTING PURPOSES THIS CASE HAS BEEN ASSIGNED INVESTIGATION NUMBER A-588-840.

4. FOR IMPORTS OF ENGINEERED PROCESS GAS TURBO-COMPRESSOR SYSTEMS, THE CUSTOMS SERVICE SHALL SUSPEND LIQUIDATION OF SUCH SHIPMENTS THAT ARE ENTERED OR WITHDRAWN FROM WAREHOUSE, FOR CONSUMPTION ON OR AFTER JUNE 16, 1997. EFFECTIVE JUNE 16, 1997, CUSTOMS SHALL REQUIRE A CASH DEPOSIT EQUAL TO THE MARGIN RATES SHOWN BELOW:

MFR/PRODUCER EXPORTER	CUSTOMS ID NUMBER	MARGIN PERCENTAGE
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MITSUBISHI HEAVY INDUSTRIES

MITSUBISHI CORPORATION	A-588-840-001	38.32%
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ALL OTHERS	A-588-840-000	38.32%
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5. THE CUSTOMS SERVICE SHALL REQUIRE THAT JAPANESE PRODUCERS/FOREIGN EXPORTERS IN THE EPGTS INDUSTRY STIPULATE ON THE SHIPMENT INVOICES THE EPGTS CONTRACT NUMBER PURSUANT TO WHICH

THE SUBJECT MERCHANDISE IS IMPORTED. IN ORDER TO ENSURE THAT THE SUSPENSION OF LIQUIDATION INSTRUCTIONS ARE NOT SO BROAD AS TO COVER MERCHANDISE IMPORTED FOR NON-SUBJECT USES, THE CUSTOMS SERVICE SHALL REQUIRE THAT THE JAPANESE PRODUCER/FOREIGN SERVICE SHALL REQUIRE THAT THE JAPANESE PRODUCER/FOREIGN EXPORTERS IN THE EPGTS INDUSTRY PROVIDE CERTIFICATION THAT THE EXPORTED MERCHANDISE IS NOT SUBJECT. AN APPROPRIATE CERTIFICATION FROM THESE PARTIES READS AS FOLLOWS:

"I, {NAME AND TITLE}, HEREBY CERTIFY THAT THIS ENTRY/SHIPMENT DOES NOT CONTAIN MERCHANDISE THAT IS IMPORTED FROM JAPAN PURSUANT TO A CONTRACT FOR AN ENGINEERED PROCESS GAS TURBO-COMPRESSOR SYSTEMS AND IS THEREFORE, NOT SUBJECT TO ANTIDUMPING DUTIES."

6. FOR THOSE ENTRIES OF EPGTS PARTS, OTHER THAN SPARE OR REPLACEMENT PARTS, IMPORTED PURSUANT TO AN EPGTS CONTRACT, THE CUSTOMS SERVICE SHALL CONTINUE TO SUSPEND LIQUIDATION AT THE ABOVE-SPECIFIED MARGINS UNTIL FURTHER NOTICE FROM THE COMMERCE DEPARTMENT. THE CUSTOMS SERVICE SHALL NO LONGER ACCEPT ANY CERTIFICATION PROVIDED BY THE JAPANESE PRODUCER/FOREIGN EXPORTER CLAIMING THAT THE PARTS, WHEN TAKEN ALTOGETHER CONSTITUTE LESS THAN 50 PERCENT OF THE COST OF MANUFACTURER OF THE COMPLETE EPGTS

OF WHICH THEY ARE A PART AND THIS IS NOT SUBJECT TO ANTIDUMPING DUTIES.

THE SUSPENSION OF LIQUIDATION WITH RESPECT TO EPGTS PARTS WILL REMAIN IN EFFECT PROVIDED THAT THE SUM OF SUCH ENTRIES REPRESENTS AT LEAST 50 PERCENT OF THE COST OF MANUFACTURE OF THE COMPLETE EPGTS OF WHICH THEY ARE A PART. THIS DETERMINATION WILL BE MADE BY THE COMMERCE DEPARTMENT ONLY AFTER ALL ENTRIES OF PARTS IMPORTED PURSUANT TO AN EPGTS CONTRACT ARE MADE AND THE COMPLETE

EPGTS PURSUANT TO THE CONTRACT IS PRODUCED, UNLESS A REQUEST FOR A SCOPE INQUIRY IS MADE BY AN INTERESTED PARTY AT LEAST 75 CALENDAR DAYS PRIOR TO THE INTENDED DATE OF ENTRY OF THE EPGTS PARTS IN WHICH THE INTERESTED PARTY CLAIMS THAT THE PARTS TO

BEIMPORTED, WHEN TAKEN ALTOGETHER, CONSTITUTE LESS THAN 50 PERCENT OF THE COST OF MANUFACTURER OF THE COMPLETE EPGTS OF WHICH THEY ARE A PART. UPON RECEIVING SUCH A REQUEST, THE COMMERCE DEPARTMENT WILL INITIATE A SCOPE INQUIRY AND PROCEDURES WITH RESPECT TO THE ENTRIES AT ISSUE AS A RESULT OF ITS SCOPE RULING.

THESE INSTRUCTIONS WILL REMAIN IN EFFECT UNTIL FURTHER NOTICE.

7. WITH RESPECT TO ENTRIES OF SPARE AND REVAMP/REPAIR PARTS FROM JAPAN, THE CUSTOMS SERVICE SHALL NOT SUSPEND LIQUIDATION OF THESE ENTRIES IF THEY ARE NOT INCLUDED IN THE ORIGINAL CONTRACT OF SALE FOR THE EPGTS OF WHICH THEY ARE INTENDED TO BE A PART.

8. IF THERE ARE ANY QUESTIONS REGARDING THIS MATTER BY CUSTOMS OFFICERS, PLEASE CONTACT VIA E-MAIL, THROUGH THE APPROPRIATE SUPERVISORY CHANNELS, IMPORT OPERATIONS, ANTIDUMPING/COUNTERVAILING DUTY, USING ATTRIBUTE, "HQ OAB." THE IMPORTING PUBLIC AND OTHER INTERESTED PARTIES SHOULD CONTACT DAVID GENOVESE OR IRENE DARZENTA, AT 202-482-4697 OR 202-482-6320, OFFICE OF AD/CVD ENFORCEMENT, INTERNATIONAL TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE.

9. THERE ARE NO RESTRICTIONS ON THE RELEASE OF THIS INFORMATION.

BYLLE PATTERSON
ACTING

Company Details

*Party Indicator Value:

I = Importer, M = Manufacturer, E = Exporter, S = Sold To Party